

POLICY BULLETIN CHILD NUTRITION PROGRAMS

NSLP 01-08

January 15, 2008

SUBJECT: Procurement Requirements for the National School Lunch,
School Breakfast and Special Milk Programs (Final Rule)

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The Food and Nutrition Service (FNS) has revised the regulations governing procedures related to the procurement of goods and services in the National School Lunch Program, School Breakfast Program, and Special Milk Program to remedy deficiencies identified in audits and program reviews.

The final rule makes changes in a school food authority's responsibilities for proper procurement procedures and contracts, limits a school food authority's use of nonprofit school food service account funds to costs resulting from proper procurements and contracts, and clarifies a State agency's responsibility to review and approve school food authority procurement procedures and contracts.

The final rule also amends the Special Milk Program and School Breakfast Program regulations to make the procurement and contract requirements consistent with the National School Lunch Program regulations.

These changes are intended to promote full and open competition in school food authority procurements, clarify State agency responsibilities, and ensure that only allowable contract costs are paid with nonprofit school food service account funds. This rule is effective November 30, 2007. Implementation will be phased in for existing contracts as they expire.

While the majority of this rule applies to procurement and contracts between school food authorities and food service management companies, it also clarifies the procurement procedures that all SFA's must follow. For further guidance or questions regarding procurement see attached table of USOE Policy Bulletins, or contact our office.

You may access Federal Register 7 CFR Parts 210-215 and 220 by visiting the following website: http://www.fns.usda.gov/cnd/Governance/regulations/ProcRule10_07.pdf .

**Federal Register
7CFR Parts 210, 215, and 220
Wednesday, October 31, 2007**

USOE Procurement Bulletins & Memos 2004-Current		
Reference #	USDA Topic Description	Year
Memo-	SFS responsibilities for oversight of program operations when contracting with FSMC.	2004
NSLP 23-04	SFA responsibilities for adhering to RFP's when conducting procurement actions, esp, with FSMC.	2004
NSLP 19-04	Potential contractor providing information vs. writing bid specifications.	2004
NSLP 28-04	Potential bidder writing specs – Horizon software	2004
Memo-	Federal Law does not require rebates, discounts in contracts.	2004
NSLP 17-05	Procurement Q&A on making procurement of meal count hardware and software part of the procurement of FSMC.	2005
NSLP 19-05	Recent procurement procedure questions –various, and a procurement handbook.	2005
NSLP 24-05	More recent procurement procedure questions.	2005
NSLP 11-06	Recordkeeping for Procurement	2006
NSLP 17-06	Procurement Q&A answers on “Buy American”	2006